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C O N F I D E N T I A L ZAGREB 002478

SIPDIS

DEPARTMENT FOR EUR/SCE (KABUMOTO)

E.O. 12958: DECL: 11/24/2008

TAGS: [PGOV](#) [PREL](#) [HR](#)

SUBJECT: ELECTIONS: SANADER'S HDZ WINS BIG, BUT WILL HAVE
WEAK COALITION IN NEW SABOR

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Summary

1. (SBU) The Croatian Democratic Union (HDZ) founded by former President Franjo Tudjman was a big winner in Croatia's November 23 parliamentary election, but will still have to form a coalition in order to seat a government. According to unofficial results, the HDZ won 65 of 76 seats needed for a majority. But its likely coalition partners performed so poorly that HDZ President Ivo Sanader's government may have a parliamentary majority of only a handful of seats.

2. (U) Voter turnout was just over 68 percent, as expected. OSCE and local NGO monitors concluded that the poll was conducted in a professional and transparent manner with no incidents which would affect the outcome. Results will be made official within ten days, once the period for candidates to appeal results has expired.

3. (SBU) The next step is for President Mesic to consult with political leaders and then decide who gets the first chance to form a government, based on that individual's ability to demonstrate to Mesic that he will be able to command a majority of seats in the new parliament. Sanader expects to get the nod soon, but Mesic seems to be in no hurry. The law sets no time limit for these consultations to be completed, but Mesic is expected to name a PM-Designate by the end of the week. This individual would then be required to present a government to the new Parliament for a confidence vote within 30 days. It is likely that the next Croatian cabinet will be seated before Christmas. End Summary.

HDZ Machine Campaign Delivers Results

4. (C) Voters went to the polls on November 23 to elect a successor to Croatia's first post-Tudjman parliament. The "official" portion of the campaign was short, but very intense, and the powerful HDZ campaign machine made the most of the natural pessimism of Croatian voters, convincing them that -- most empirical evidence to the contrary -- they were not better off than when the Racan government came to office in January 2000.

HDZ Exceeds Even Its Own Expectations ...

5. (U) Sanader's HDZ won in eight of Croatia's ten geographical electoral districts and won big in the nationalist-leaning areas of Dalmatia and Eastern Slavonia which still feel the effects of war. As expected, the HDZ was weakest in central Zagreb and in Istria, Croatia's most developed regions. According to unofficial results, the HDZ won a total of 65 out of 151 seats in the new parliament. The number of seats assigned to representatives of voters outside of Croatia -- the "diaspora district" -- is determined by voter turnout. The results of precincts in Bosnia and Herzegovina are still being tabulated; the result for the HDZ and the total number of seats in the new parliament may be increased by one.

But Will Still Have Trouble Seating A Government

6. (C) Despite winning almost twice as many seats as his closest rival (Racan's SDP), Sanader will have to work hard to form a coalition with even a narrow majority. His most likely coalition partners, a grouping of the Croatian Social Liberal Party (HSLP) and the Democratic Center (DC), were dealt a humiliating defeat by the voters, electing only three MP's. Neither party president will enter the Sabor, which almost certainly means the end of their political careers. Sanader can count on the support of the extreme right-wing Croatian Party of Rights (HSP), which won eight seats (doubling its total from the previous parliament), but he would rather not be saddled with the HSP's ultra-nationalist baggage.

HSS Is Down, But Not Out of the Horsetrading

17. (C) The Croatian Peasants' Party (HSS) had expected to be a major player in the next parliament, but instead lost ground. Analysts suggest that voters interpreted Party President Tomcic's coyness during the last days of the campaign about whether his party would go right or left as "these seats for sale." Rather than the 20 seats projected by reliable polls just two weeks before the election, the HSS secured only 10, down from 16 in the previous parliament.

Nevertheless, the HSS could still try to bargain with the HDZ to enter government. The HDZ would have to choose which partner, the HSP with its nationalist reputation or the HSS with its economic goals smacking of central planning, would be the lesser of two evils.

Election Surprise -- Pensioners Win Three Seats

18. (C) As expected, Racan's SDP was the other big loser in Sunday's poll, but his party -- together with coalition partners -- will remain a significant force in the new parliament. The Croatian People's Party (HNS), which had only two seats in the previous Sabor, made important gains and now has 11 seats. The one surprise was the Croatian Party of Pensioners (HSU), which enters the parliament for the first time with three seats. Croatia's pundits are still scratching their heads about the success of the HSU, but speculate that they benefited from the HSS' loss.

Thirteen Parties In Sabor Equals One Big Mess

19. (C) When all the various coalition partners are counted separately, there will be a total of thirteen political parties represented in the next Croatian parliament. Add to this cacophony an additional eight seats reserved for ethnic minorities (which in the last parliament almost always voted against the HDZ).

Slim Majority May Force the HDZ to "Play Nice"

110. (C) If the HSS decides not to align itself with the HDZ, Sanader will have a majority of only five seats in the new parliament. This could be further eroded if the few seats from the HSLS/DC grouping decide to declare themselves as free agents (anything is possible). On one hand, this may force Sanader to reach across the aisle to seek consensus before setting any new policy course. But this slim majority will also mean that he will find it difficult to get the business of government done. Because the SDP and HNS share the main policy goals which Sanader claimed the HDZ would pursue after elections, one might hope for non-partisan consensus on issues related to Croatia's integration into Euro-Atlantic institutions. Unfortunately, as there is no love lost between the right and left in Croatia, the new opposition may look for opportunities to repay the HDZ's dirty parliamentary tricks which so often embarrassed the SDP during Racan's tenure.

OSCE and NGO's Praise Election Process

111. (U) Long-term monitors from OSCE's Office of Democratic Institutions and Human Rights (ODIHR) cited a number of areas for improvement in Croatia's electoral legislation, but concluded that the conduct of the poll was professional, transparent and the result was the democratic expression of the voters. As it did in 2000, the highly successful Croatian election watchdog NGO "GONG" mounted a full scale election monitoring effort with nearly 3000 participants. They reported a number of minor incidents, but concluded that the process was professional and in accordance with election law. A parallel vote tabulation carried out by GONG confirmed the general results presented by Croatia's State Electoral Commission. No political party has so far challenged any of the results in any of the polling stations in Croatia or abroad.

Timelines: Mesic to Name PM-Designate

112. (SBU) Now that the voting is over and reliable -- but not official -- results are available, Croatia's constitution calls for President Mesic to name a PM-designate, after consultations with the various political parties. Mesic told the press that he would not necessarily name the PM-designate on November 24, but would seek evidence from the next potential prime minister of agreements with other political leaders which demonstrates that they would be able to win a vote of confidence. Neither Croatia's constitution nor the election law specify the amount of time the President has to make his designation, but Mesic's political adviser told us

the President would act before the end of the week. Once a PM-Designate is named, he will have thirty days to present a cabinet to the parliament to pass a vote of confidence.

Government In Place by Year's End

13. (SBU) The results of the election will become official

when the State Electoral Commission has received all of the signed originals of the protocols certifying results from all polling stations around the world and when all appeals of these results have been considered by Croatia's Constitutional Court. Election officials tell us this should take about 10 days. The new parliament must convene within 20 days of "completion of the election" -- which is interpreted as publication of the official results. Ideally, the first act of the new parliament should be to vote its confidence in the new government proposed by the PM-designate. If Croatia's democratic process continues to function as efficiently as it has for this election cycle, a new Government could be in place before Croatia's public institutions begin to shut down for the Christmas and New Year holidays.

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